



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0715	Title:	Support research and development of energy sources
Primary Sponsor:	Olson, Alan	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of Fiscal Impact:

HB 715 requires 20% of research and commercialization grant funds be used for coal research and development projects. There is no fiscal impact to the state.

FISCAL ANALYSIS

Assumptions:

Department of Commerce (DOC)

1. Section 90-3-1003(4), MCA, currently earmarks 20% of research and commercialization's annual grant funds to production agriculture projects. HB 715 earmarks an additional 20% for research and commercialization annual grant funds to coal research and development projects. HB 715 would increase the percentage of the board's funds to 40% that must be committed to targeted projects.
2. The Board of Research and Commercialization Technology's FY 2008 grant budget is approximately \$4.294 million; \$723,111 of those funds is committed to other projects, leaving approximately \$3.570 million available for grants in FY 2008. For the purposes of this fiscal note it is assumed that 20% of the board's uncommitted FY 2008 grants budget, or approximately \$714,000 (\$3.570 million * 20%) would be allocated to coal research and development projects. FY 2009 through FY 2011 annual grant amounts

are estimated to be approximately \$4.294 million. Therefore, approximately \$858,800 (\$4.294 million * 20%) would be allocated annually to coal research and development projects through FY 2011.

3. The program will be required to solicit coal research and development projects for the board's consideration. Since the program's start-up in 2000, 315 applications have been submitted and only nine have been for a coal research and development project.

Sponsor's Initials

Date

Budget Director's Initials

Date